

February 13, 2003

Honorable Michael Powell  
Chairman  
Federal Communications Commission 445 12th Street, SW  
Washington, DC 20544

RE: CC Docket No. 01-338, Review of the Section 251 Unbundling Obligations  
of Incumbent Local Exchange Carriers

Dear Chairman Powell:

It's time for the FCC to dismantle the economically irrational facilities unbundling rules that have devastated the telecommunications industry and the high-tech manufacturing sector. Over the past 3 years over 500,000 jobs have been lost, more than \$1.7 trillion in stock market capitalization has evaporated, and capital spending has been severely curtailed.

The FCC should create a national framework governing the telecom industry that incents facilities investment, and thus, creates an environment allowing for long-term, sustainable competition. On a national basis, the FCC should eliminate unbundled switching and the unbundled element platform (UNE-P). The FCC should eliminate other unbundling requirements where facilities-based competition has developed. For example, competition in the market for high capacity loops and transport is prolific in many areas of the country. Therefore, current unbundling requirements should be lifted.

The FCC should not extend unbundling requirements to broadband facilities. Freeing broadband investment from costly unbundling requirements will incent investment and deployment of valuable new technologies nationwide. The products and services provided by broadband technologies will add significant value, efficiencies and capabilities to small and large businesses across the U.S.

A recent study released by the Progress and Freedom Foundation found that eliminating the current unbundling regime would result in the creation of 1.115 million new jobs in the communications sector and an increase in capital spending of \$169.5 billion over the next five years.

I urge the FCC to support eliminating the current and harmful unbundling regime in favor of a new paradigm encouraging sustainable competition and facilities investment.

Sincerely,

cc:

Commissioner Abernathy  
Commissioner Adelstein  
Commissioner Martin  
Commissioner Copps